

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
FOOD SAFETY AND INSPECTION SERVICE
AND THE
RURAL DEVELOPMENT ADMINISTRATION**

I. PURPOSE

The purpose of this joint Memorandum of Understanding (MOU) is to have the Food Safety and Inspection Service (FSIS) serve as the Cognizant Agency for indirect costing and training for Rural Development Administration (RDA) personnel.

II. BACKGROUND

The RDA presently administers the Rural Business Enterprise Grant program, the Nonprofit National Corporations Loans and Grants program, the Technical Assistance and Training Grant program, and the Solid Waste Management Grant program, and may administer other additional grant programs in the future. RDA, as cognizant agency for some of these grantees, is charged with providing indirect cost determinations for grantees and indirect cost rate training to grantees. RDA does not possess expertise in indirect cost determination. FSIS experience in indirect cost determination is mainly with public institutions.

III. AGREEMENT

This MOU provides for a working relationship between RDA and FSIS whereby FSIS will serve as Federal cognizant agency for indirect cost rate determinations for RDA grantees. FSIS will also provide indirect cost rate training, as requested, to RDA field and National Office employees and to grantees.

In accordance with the understandings contained in this MOU:

1. The FSIS will:

Provide staff and appropriate resources to establish indirect cost determinations for grantees as requested by RDA.

Provide indirect cost rate training and advice to RDA field and National Office employees and to grantees as requested by RDA. This training and advice will include, but not be limited to, indirect cost proposals, indirect cost rates, and indirect cost guidelines.

Present bills to RDA as work is completed. Charges will include contractual costs, hourly rates, and a percentage of the hourly costs to cover administrative expenses.

2. The RDA will:

Furnish FSIS (a) all program regulations and (b) names, addresses and telephone numbers of all grantees needing an indirect cost rate approval and the funding levels of each of these grantees.

Request indirect cost services on a case-by-case basis.

Reimburse FSIS for work performed as bills are submitted.

Advise FSIS annually of the amount of funds available for this work for each fiscal year.

IV. IMPLEMENTATION

1. The details of this cooperative undertaking shall be jointly planned and executed by the cooperating parties.
2. This MOU is to define in general terms the basis on which parties concerned will cooperate and does not constitute a financial obligation to serve as a basis for expenditures. Each party will handle and expend its own funds. Any and all expenditures from Federal funds in the Department of Agriculture must be in accord with Departmental rules and regulations and, in each instance, based upon appropriate financial documentation. Expenditures made by either party will be in accord with its rules and regulations. Reimbursable agreements will be developed to provide for the exchange of funds between Agencies as required.
3. This MOU shall become effective upon date of final signature and shall continue indefinitely but may be modified or discontinued at the request of either party. Requests for termination or any major change shall be submitted to the other party in writing for consideration not less than 60 days in advance of the effective date desired.

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE

9/29/93 Joseph A. Powers
Date Assistant Deputy Administrator

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT ADMINISTRATION

SEP 27 1993 [Signature]
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